

Testimony of Kay Mondello
In favor of HB # 5511
For Judicial Committee Public Hearing
March 29, 2012

Unit Owners pay common charges every month to contribute to the Association funds.
It is ALL our money, not just Board Members.

Associations/Board Members have a responsibility to all home owners to define report, document and explain how all Association funds are being used.

Through the 2010 recent passing of the CIOA "transparency law" unit owners are entitled to financial information, reports, approval of funds and should be kept up to date on where and when their money is being spent.

The Associations were not expecting this law. They were accustomed to operating on their own opinions and rules.
There had not been a significant change in Condo law since 1984.

Now that there is a transparency law, Associations need to follow the law.

Board Members need to be "Transparent" with unit owners on all financial funds, be responsible in reporting, spending funds appropriately with careful consideration and approval for costly purchases..
Unit owners have the right to attend meetings that involve discussing all financial information with an opportunity to ask questions about how their money is being spent.

Board Members should not "hide" information by re-classifying expenses under obscure categories on budget reports.
All expenses should be clearly defined and approved by unit owners.
ie: Using a term such as "special landscaping" to hide 39K in fertilizer costs.
Lines on the Budget should be clearly defined as to what the expense is so that home owners can clearly understand the costs.

Board Members should not approve expenses after an "executive session" when homeowners have been asked to leave the room and do not return for last half of the meeting.
Executive Session is abused because some Associations will have an Executive Session at the middle of every meeting.

Board Members have used this "loop hole" knowing that most home owners do not return to the last half of the meeting.
This is a "tactic" that has been practiced by Board Members to get around the "open meeting" so that they can approve an expense without unit owners being present.

Board Members should not run for a Board Member position just to get "the privilege" to have their own issues and units repaired, before others. A common practice with elected Board Members.

Associations, especially older ones, need to develop a healthy "Reserve Fund", 10 years before they need it.
All too often, roofing siding and windows projects are stalled and postponed because there is not enough money in the reserve fund to do the necessary repairs to protect the buildings. Homeowner are at the mercy of the Board Member.
If they do not want to spend the money to make urgent repairs, it does not get done.

In many cases, monies that should be put aside for reserves are spent on other expensive projects, merely for esthetics such as expensive sidewalks and costly landscaping.

Associations; try to avoid assessments by postponing and ignoring building projects such as roofing, siding and window leaks but create more problems with maintenance issues and more repairs in addition to lowering the value of our property and addressing the safety and well being of the home owners.

It is time for continued legislation to protect the citizens of Connecticut..